



All the rage, pardon the pun, on Friday was to talk about Chris Perez's new contract with the Cleveland Indians. He avoided arbitration by signing a one-year deal for \$7.3M for the 2013 season. Instantly, various articles and Tweets began popping up about Perez being overpaid and closers, in general, being thoroughly overpriced. Perez is not the Indians best reliever. That distinction belongs to Vinnie Pestano. That being said, is there a way to validate the Perez contract?

Last year, with Perez as a chief example, Jonah Keri of Grantland [hit a home run](#) with his piece about closers. Also, the timing could not have been better for Keri's piece, immediately following Perez's Opening Day blown save against the Toronto Blue Jays and following Perez's Spring Training stint on the disabled list. Furthermore, Perez was coming off a season with a velocity drop, a major drop in K/9 rate, and a spike in BB/9 rate.

Keri goes on to cite the "[Shutdowns/Meltdowns](#)" stat of Fangraphs. In essence, the stat asks nothing more than "Did the relief pitcher help his team's chances of winning the game?" by using win probability. If we use shutdowns as the predominant statistic for evaluating relief pitchers, which Keri's article suggests, then Chris Perez was the 11th most valuable relief pitcher in 2012. If we subtract meltdowns from shutdowns for all relievers, Perez would have ranked ninth.

In 2011, his K/9 was just 5.88 and his BB/9 was 3.82. That's not a good ratio for a reliever to have. In 2012, Perez's K/9 bumped back up to 9.21 and his BB/9 dropped back down to 2.50. Perhaps the most important statistic for Perez was that his ground ball rate jumped all the way up to 40.6% after being 28.3% in 2011. Obviously, fewer bad things happen when the ball is hit on the ground.

In that same Grantland piece, Keri says that reliever with between 35-40 shutdowns should be considered "elite". Perez had 37 shutdowns in 2011, despite the lower peripherals. The lower peripherals did cause him to have 10 meltdowns that season. In any event, Perez was one of just 19 relievers to amass 30 or more shutdowns in 2012.

The list of relievers with 30 or more shutdowns is a mix of young guys and veterans, with salaries all across the board. The 19 guys (in order of most shutdowns) are Jim Johnson, Aroldis Chapman, Craig Kimbrel, Vinnie Pestano, Grant Balfour, Ryan Cook, Rafael Soriano, Fernando Rodney, Luke Gregerson, Jonathan Papelbon, Chris Perez, Jonathan Broxton, Tyler Clippard, John Axford, Jared Burton, Mitchell Boggs, Joe Nathan, Matt Belisle, and Francisco Rodriguez. Note that the Indians, the Milwaukee Brewers and the Oakland Athletics are the only teams with two guys on this list.

Of that list of 19 names, the highest salary, \$11,000,058, belongs to Jonathan Papelbon. The lowest salary belongs to Ryan Cook at \$480,000. Five of the pitchers on the list, Kimbrel, Pestano, Cook, Clippard, and Boggs had not yet reached arbitration eligibility as of 2012. Two, Gregerson and Axford, were in their first arbitration eligible year. Two, Johnson and Perez, were in their second arbitration eligible year. The rest were free agent signings. The average salary of this group of pitchers is \$3,623,347.

For frame of reference, a few of the other pitchers from that list signed contracts on Friday. Tyler Clippard, in his first year of arbitration eligibility, will make \$4M. John Axford, who lost the closer's job last season in Milwaukee, will make \$5M in his final year of arbitration eligibility. Jim Johnson is asking for \$7.1M from the Orioles. Luke Gregerson, who was not San Diego's closer, is asking for \$3.75M. Rafael Soriano signed as a free agent with the Washington Nationals last week with a very complicated contract. He will be paid \$28M for two guaranteed years, with a vesting option at \$14M for 2015. There is deferred money involved.

In the third year of arbitration eligibility for Perez, \$7.3M actually appears to be market value for a relief pitcher of his caliber, especially with the way that the other pitchers from that list are trending financially.

Where the Perez deal rubs everybody wrong is the volatility of relief pitchers in Major League Baseball. As you can see in the list above, more than 25% of the list (5/19) is comprised of

pre-arbitration pitchers. Seven of the 19 pitchers above had 30+ shutdowns in both 2012 and 2011. To reiterate, Perez was one of those seven. While I cannot deny that the save stat has inflated closer salaries, it could be argued that Perez was one of the most valuable relievers in baseball over the last two seasons.

Another reason that the price tag on Perez is generating some consternation is because the \$7.3M he will earn in 2013 could have gone towards acquiring another starting pitcher. Like I said at the top of the article, Vinnie Pestano is the Indians' best reliever, according to most metrics over the last two seasons. He was the team's leading pitcher in wins above replacement player in 2012 (and 2011 according to Fangraphs; Baseball-Reference lists Smith as the highest RP in WAR for 2011) and a lot of baseball people swear up and down that the biggest spots often occur in the eighth inning, where the team's best pitcher should pitch. Pestano could be inserted into the closer's role, with Joe Smith assuming eighth inning duties, and Cody Allen possibly being this year's Ryan Cook or Mitchell Boggs, so to speak, as the pre-arbitration reliever that has a great season.

If there's anything that the Indians have, it is bullpen depth. Matt Albers, acquired in the Trevor Bauer deal, is another experienced arm from the right side that could handle important innings if necessary. The Indians now have five capable right handers and very young left handed arms. There is no way to quantify how much trading Perez would hurt the Indians, which makes the argument of trading Perez or not signing him a moot point. There's no telling how Pestano, Smith, and Allen would do with elevated roles, whereas Perez has a track record over the last two seasons of being a highly valuable reliever.

It's easy to understand *why* fans might want to trade Perez, as the team does have needs that can be filled by a trade of that nature. It's also easy to understand why Chris Perez is still here. Quite simply, the Indians didn't find a trade that they felt fit their needs and they weren't going to give him away. The Indians had no shortage of reasons to trade Perez, including his criticisms of ownership and the front office last season. In spite of that, they kept him because the market wasn't there for him. I can't fault them for that.

Don't get me wrong, I'd love to have another starter in the rotation for the money that Perez got. Shaun Marcum's name has been one that has come up, but there are flaws with him, too. Mark Axisa at Fangraphs wrote [a terrific piece](#) about Marcum that shed some light on why he is still available this late in the offseason. Axisa notes Marcum's late season struggles over the last two seasons, where he posted ERAs of 4.68 and 5.17, with FIPs of 5.08 and 4.48 in September. Marcum has averaged 86.7 mph with his fastball over the last three seasons, which, as Axisa notes, is the lowest of any non-knuckleballer with the exception of Livan

Hernandez.

Also, Joe Saunders wants a multi-year deal, where the Indians would undoubtedly have to commit more than \$7.3M. Kyle Lohse, a Scott Boras client, isn't getting a lot of love, but I would be stunned to see him sign a one-year deal for the money that Perez got. It's possible that the average annual value of both pitchers' contracts falls below \$7.3M, but it's hard to see either guy getting less than two years. The unwillingness of the Indians to sign any of those guys, when it appears that a two-year deal in the \$12-15M range could potentially get one of them, leads me to believe that they're content with Zach McAllister and Corey Kluber at the back end of the rotation, both now and in the future.

Overall, I think it's ingrained in us to hate closer contracts and Perez's is one that appears not to fit on a small-market team like the Indians. It doesn't help that we have a much cheaper option currently pitching as the primary setup man that could take over in the closer's role, but I wouldn't say that having Perez is a detriment to the team. The Indians were 52-8 in 2012 with a lead after seven innings and 56-8 with a lead after seven innings in 2011, with Perez playing a key role in that.

The Indians budgeted this amount of money for Perez, which explains why the two sides didn't even come close to arbitration, and were still able to drastically improve the ballclub this offseason.

Is the difference in contending, making the playoffs, or not even being .500 going to be the money that they gave to Chris Perez? Highly unlikely.